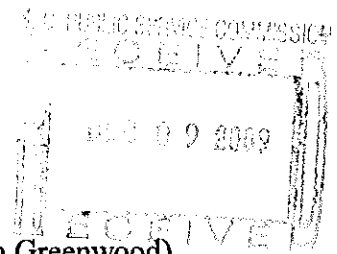


220691



POSTED  
12-9-09

From: Jerry Ashley  
101 Cindy Lane  
Greenwood, SC 29646  
(Location-- Highland Forest Sub-Division Hwy 25 South in Greenwood)

To: Executive Director  
The Public Service Commission  
P.O. Drawer 11649  
Columbia, SC 29211

Date: 12-7-09

Subject: United Utility Co Inc - Request for a rate increase for sewer service

Reference: Docket No. 2009-479-WS (Copy Attached)

Please help the residents of Highland Forest Sub-Division in Greenwood, SC to stop this rate increase. United Utility is already charging too much for sewer service and your attention to this problem is needed.

The current rate charged by United Utility for Sewer Service is \$48.24 per month. This current rate paid to United Utility is much higher (About \$22 more a month) than the rate paid by other Greenwood residents to the local sewer service provider.

The proposed requested new rate is \$73.89.  
The rate increase requested is an extra \$25.65 per month.  
This is a requested rate increase of 53.17%.  
This amount of rate increase is not fair to the customers.

Thanks for your concern about this problem,

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2009-479-WS

**UNITED UTILITY COMPANIES, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATIONS TO CERTAIN TERMS AND CONDITIONS FOR THE PROVISION OF WATER AND SEWER SERVICE**

United Utility Companies, Inc. (UUC or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. UUC is a public utility, as defined by S.C. Code Ann. § 58-5-10(4) (Supp. 2008), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2000-210-W/S.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2008) and 26 S.C. Code Ann. Regs. 103-512.4.A and 103-712.4.A (Supp. 2008), the Company requests that the Commission approve an increase in its monthly water and sewer service rates. Pursuant to 26 S.C. Code Ann. Regs. 103-503 and 103-703, Applicant further proposes a modification to the terms and conditions under which a tenant will be billed for water and sewer services to comport with current S.C. Code Ann. § 27-33-50 (Supp. 2008), as same may be amended in the future. Also, pursuant to 26 S.C. Code Ann. Regs. 103-703, Applicant proposes to add language requiring its customers who install, permit to be installed or maintain a cross connection between the Company's water system and any other non-public water system to install a backflow prevention device in accordance with 24A S.C. Code Ann. Regs. 61-58.7.F (Supp. 2008), as may be amended from time to time. The Company further proposes to require such customers to annually have such cross connection inspected by a licensed certified tester and provide to Utility no later than June 30th of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. 61-58.7.F (Supp. 2008), as same may be amended from time to time. Additionally, Applicant proposes to modify the provision dealing with single family equivalents to incorporate the pertinent regulation of the South Carolina Department of Health and Environmental Control ("DHEC"), and to include language pertaining to the terms and conditions for extensions of its facilities for service. Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Notification Fee to be charged in connection with a notice required to be provided pursuant to 26 S.C. Code Ann. Regs. 103-535.1 (Supp. 2008) prior to disconnection of sewer services.

In support of its request for an adjustment in the Company's water and sewer rates, terms and conditions UUC asserts, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies which regulate the environmental aspect of the Company's business, and earn a reasonable return on its investment and attract capital for future improvements. The Company also asserts that the proposed water and sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services. Further, the Company asserts that an increase in its Notification Fee is necessary due to increased postal costs and increased mailings due to the number of delinquent customers.

**THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE SET FORTH BELOW**

(The complete rate schedule is available from the Company at the address below and on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov))

**WATER**

Monthly Charges	Current	Proposed
<u>Residential (per single family house, condominium, mobile home, apartment unit)</u>		
<u>Residential</u>		
Base Facilities Charge	\$11.50	\$20.69 per unit
Commodity Charge	\$4.50 per 1,000 gallons or 134 cft	\$8.09 per 1,000 gallons or 134 cft

OVER

Commercial

Basic Facilities Charge

Per single family equivalent (SFE)

\$11.50

\$20.69 Per SFE

Commodity Charge:

\$4.50 per 1,000  
gallons or 134 cft\$8.09 per 1,000  
gallons or 134 cft**SEWER**

	<b>Current</b>	<b>Proposed</b>
Residential monthly charge		
Per single-family house, condominium, villa, or apartment unit	→ \$48.24 per unit	\$73.89 per unit
Mobile Homes – monthly charge	\$35.58 per unit	\$54.50 per unit
Commercial – monthly charge	\$48.24 per SFE	\$73.89 per SFE
<u>Charge for Sewer Collection Only</u>		
Residential – monthly charge per single-family house, condominium, mobile home or apartment unit	\$24.66 SFE	\$37.77 per unit
Commercial – monthly charge Per single-family equivalent	\$24.66 per SFE	\$37.77 per SFE
Notification Fee pursuant to Regulation 103-535.1	\$4.00	\$24.00

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, UUC's Application is available on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov).

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, South Carolina on **Tuesday, March 23, 2010 at 10:30 a.m.**

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **January 18, 2010**, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2009-479-W/S.*

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before **January 18, 2010**, and indicate the amount of time required for the presentation. *Please refer to Docket No. 2009-479-W/S.*

Any person who wishes to request a hearing in his or her county of residence should notify on or before **January 25, 2010**, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202-8416. *Please refer to Docket No. 2009-479-W/S.*

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before **January 18, 2010**. *Please refer to Docket No. 2009-479-W/S.*

**PLEASE TAKE NOTICE:** Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina  
Attn: Docketing Department  
Post Office Drawer 11649  
Columbia, SC 29211  
11/24/09



Dear Customer,

Since 1983, it has been our privilege at United Utility Companies, Inc. ("United") to provide water and/or sewer service to our customers in South Carolina. As you are probably aware, our rates for these services have not been increased since 2002. However, in that period of time United has experienced significant increases in its operations and maintenance expenses due to the rising cost of doing business and ever increasing environmental and regulatory requirements. Additionally, United has continued to make the ongoing capital investments necessary to provide adequate and proper service to our customers. In order to recover our costs of service and to secure a reasonable return on our investment, United has found it necessary to file an application with the Public Service Commission of South Carolina ("Commission") for an increase in our rates and charges. A copy of the Commission's required notice of filing about this application is enclosed.

While United understands that no one desires an increase in rates, financial circumstances leave us with no choice but to seek an increase at this time. As the rate application process progresses, United would ask that our customers consider the following:

- Between 2001 and 2008, United has spent approximately \$3.1 million on capital expenditures for various projects throughout our systems, including the expansions and upgrades to several wastewater treatment plants, along with the replacement of mains, manholes and other infrastructure.
- Since 2001, operations and maintenance expenses for our systems have increased approximately 78%, primarily due to increased electric power, chemical, personnel and maintenance expenses.
- Our capital improvement and operations and maintenance expenditures were necessary to improve service and to ensure that United meets all regulatory requirements and continues to provide its customers with safe and reliable utility services.
- United has not had a rate increase since 2002 and current rates do not permit us to recover these increased costs and earn a return on our investment.
- Providing quality service to our customers at a just and reasonable rate is of the utmost importance to us. Rates for clean and safe water for the average household's entire daily use (including laundry, showers, cooking, drinking, etc.) will be increased less than \$1 per day. In addition, rates for wastewater service for the average household will increase less than \$1 per day.

In view of these facts, an increase in rates is necessary so that United can remain financially viable and continue to operate in the future. We believe that the requested rates represent a balance between the financial requirements for continuing to operate our systems in accordance with all environmental, regulatory and statutory requirements and the desire of customers for reasonable rates.

We take seriously our responsibility to provide safe and reliable utility services and look forward to continuing to serve our customers for many years in the future. We would welcome an opportunity to talk with you to explain our need for a rate increase at this time. If you have any questions regarding our pending rate increase application, our operations, or your account, please do not hesitate to contact one of our customer service representatives at 1-800-367-4314. Or, if you prefer, you may contact us via electronic mail at [SCCustomerService@uiwater.com](mailto:SCCustomerService@uiwater.com).

We look forward to hearing from you and an opportunity to answer your questions about this matter.

Sincerely,

*Bruce T. Haas*

Bruce T. Haas  
Regional Director  
United Utility Companies, Inc

a Utilities, Inc. company United Utility Companies, Inc.

P.O. Box 4509 • West Columbia, SC 29171-4509 • P: 803-796-9545 • F: 803-791-8643  
110 Queen Pkwy. • West Columbia, SC 29169 • [www.uiwater.com](http://www.uiwater.com)